

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 21, 2002 LB 1309

Appropriations Committee that there was no way of reducing expenditures to the extent of the amount of the money that we needed, that it was going to require increases in revenues coming out of the Revenue Committee. And we've made some of those proposals. But out of that what bothers me are two things; one, and this is a question, did, in fact, the Appropriations Committee enter into the hearings this year with the idea that they could never reduce the expenditures enough to balance the budget, or were those...is that simply a misunderstanding of mine? And the other thing is that since May 1st, 1967, the revenues of the state of Nebraska have been based upon the economy of the state of Nebraska, that is sales and income tax revenues. And those have went up. Those have went up as the economy of the state of Nebraska has went up, and they have wavered a little bit at some times in the past, and the Legislature has been able to, basically, adjust for those in past years by across-the-board cuts or whatever seemed to be the appropriate thing to do at that time. We had ten years of really good times and we seem not to be able to set money aside in good times to make sales and income tax work as it should. So here we are when all indications are that the economy of the state of Nebraska, the taxpayers of the state of Nebraska, the resources that they have available to them are not as great as what they used to be. And yet the generally accepted opinion on the floor of this Legislature is that, well, we must raise the rates on a declining base so that we do not have to adjust the spending of the state of Nebraska. If that has a direct relationship to the Redfield amendment, then so be it. But I believe that we are,...

SPEAKER KRISTENSEN: One minute.

SENATOR COORDSEN: ...whether it's accidentally or by intent, going into this issue with some thoughts that are not very good for the future of the state of Nebraska. If this recession is longer than what Greenspan projects, what then do we do? Do we raise tax rates again on a still declining base? We seem not to want to talk about those kinds of things, and I know what I'm saying is an embarrassment to most of the members of the...of this body. But someone has to say it. And if it's a lame duck getting kicked in the pants on the way out the door, so be that.